

1 Q. Has Mr. Lokting ever given you
2 instructions?

3 A. Yes.

4 Q. Can you remember any specifics where
5 Mr. Lokting gave you instructions?

6 A. Most recently there was a matter of
7 some cell site leases that we had been working on
8 as a result of one of the quarterly review
9 meetings. Those leases can be commenced at any
10 time. And the owners of the cell site properties
11 were becoming a bit concerned about the fact that
12 we had not actually commenced construction.

13 So I contacted Mr. Lokting, made a
14 recommendation on proceeding with those lease
15 agreements, and he instructed me -- he talked
16 with Mr. Thompson and then instructed me to
17 attempt to negotiate a lower rate of payment
18 until construction started.

19 Q. And what came about with those
20 instructions?

21 A. We are negotiating with landlords at
22 this time.

23 Q. Who is in negotiations with the
24 landlords?

25 A. Real estate acquisition specialists

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1 that we have retained to find sites in the
2 Atlantic City system.

3 Q. Who would the real estate specialists
4 report to?

5 A. He reports to a project director for a
6 third-party company that we've retained for that
7 service. That project director in turn reports
8 to me.

9 Q. How often are you in contact with
10 Mr. Thompson?

11 A. Generally just during the quarterly
12 review meetings. And typically, in preparation
13 for those meetings, I will prepare some
14 recommendations that we'll discuss in the meeting
15 and send them in written form to Mr. Thompson.

16 Q. Does he always receive materials
17 relating to any recommendations that are going to
18 be made at a quarterly meeting prior to the
19 meeting?

20 A. Yes.

21 Q. How often are you in contact with
22 Mr. Lokting?

23 A. Probably monthly.

24 Q. Does he typically contact you or do you
25 contact him?

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1 A. Both ways. Probably an equal number in
2 each direction.

3 Q. Is it normally in person, on the phone,
4 or by mail?

5 A. Telephone and mail.

6 Q. You've been mentioning the quarterly
7 meetings. How many have you attended regarding
8 the Atlantic City system?

9 A. Two or three.

10 Q. What have you been told about the
11 ownership of the Atlantic City system?

12 A. That Mr. Thompson is the owner of the
13 Atlantic City system.

14 Q. Who told you this?

15 A. I don't recall precisely, my colleagues
16 at Comcast soon after I took on these
17 responsibilities.

18 Q. Can you recall specifically what you
19 were told?

20 A. No. I guess I also had general
21 knowledge prior to that, being an employee of
22 Comcast, that we were the manager of the Atlantic
23 City system.

24 Q. What did it mean to you that
25 Mr. Thompson was the owner of the system?

1 A. It meant that we could make
2 recommendations on things like system buildout,
3 capacity expansion, coverage requirements, but
4 that ultimately it was his decision as to what we
5 did there.

6 Q. What have you been told about the
7 relationship between Comcast and Ellis Thompson
8 Corporation?

9 A. Not much, I'm not generally familiar
10 with that relationship.

11 Q. Have you ever read the management
12 agreement between Ellis Thompson and Comcast?

13 A. No.

14 Q. Have you been told anything about the
15 management agreement?

16 A. Not specifically.

17 Q. Who is Dominic Villecco?

18 A. He is -- I believe his title is
19 vice-president of engineering for Comcast
20 International Holdings. He was my predecessor in
21 the position that I'm in currently.

22 Q. Did you have any discussions with
23 Mr. Villecco about the Atlantic City market?

24 A. Yes.

25 Q. Can you recall any specifics?

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1 A. Soon after taking on these
2 responsibilities, I spent quite a bit of time
3 with Mr. Villecco, just going over issues, system
4 design, et cetera. And he told me about the
5 relationship between Comcast and Mr. Thompson, he
6 informed me about the quarterly review meetings
7 and the need to allow for extra time in getting
8 site design and construction approved as opposed
9 to some of our other systems. He warned me about
10 the need for more lead time I guess.

11 Q. What did he say about the need for more
12 lead time?

13 A. Just because of the need for
14 Mr. Thompson to review plans and to approve them
15 and often wait for quarterly review meetings for
16 those approvals to occur. He just cautioned me
17 that I should add some extra time to anything
18 that we would propose to do in Atlantic City.

19 Q. Why don't we talk about the review
20 process when you make proposals. Let's not talk
21 about the Atlantic City system. But, if you make
22 a proposal for another one of Comcast's markets,
23 what type of review process or how do you go
24 about making a proposal for say the Wilmington
25 system?

1 A. In the case of Wilmington, we would
2 develop system traffic forecasts and as a result
3 of that new cell site and capacity addition
4 recommendations. The process typically would be
5 to develop a business case or a budget for those
6 requirements and then to review it with my
7 colleagues at Comcast Cellular for budget
8 approval.

9 Q. Who all would have to approve it before
10 it can be adopted, a proposal?

11 A. Generally a sign-off would be required
12 by Anna Hillman. And, if the dollar amounts were
13 significant enough, also by Don Harris.

14 Q. What process do you go through in
15 making a proposal for the Atlantic City system?

16 A. A similar process with the exception
17 that, once we've developed the business case or
18 the financial recommendation, it is then sent to
19 Mr. Thompson for his review and typically defer
20 discussion until the quarterly review meetings.

21 Q. Would it first have to receive
22 Ms. Hillman's and possibly Mr. Harris' approval
23 before it can be presented to Mr. Thompson?

24 A. It does receive Ms. Hillman's approval,
25 I don't recall that any of the recommendations

1 have been approved by Mr. Harris.

2 Q. Did Mr. Villecco discuss with you what
3 matters will require Mr. Thompson's approval?

4 A. No, I don't recall that.

5 Q. Has anyone ever discussed with you what
6 matters require Mr. Thompson's approval?

7 A. I don't recall a specific conversation
8 on that. But I operate under the assumption that
9 Mr. Thompson has to approve any capital
10 expenditure in the system.

11 Q. Have you had any discussions with
12 Ms. Hillman about the Atlantic City market?

13 A. Yes.

14 Q. And can you recall any specifics?

15 A. No. I've had many conversations with
16 her, I don't recall any specifics, they were just
17 routine conversations.

18 Q. How many cell sites are in operation
19 for the Atlantic City market?

20 A. I believe there are eight sites.

21 Q. What type of facilities are at each
22 site?

23 A. It varies. There are some sites that
24 are collocated in existing structures, there
25 would be an equipment room near the top of the

1 building and antennas on the penthouse or at the
2 top of the building. There are freestanding
3 towers where typically there are antennas on a
4 tower and there's a facility, a shelter that
5 houses the cell site equipment.

6 Q. To your knowledge has Mr. Thompson
7 visited any of these sites?

8 A. I'm not aware of him visiting them.

9 Q. Are there any business offices in
10 Atlantic City for Comcast?

11 A. I believe so.

12 Q. Do you know what type of business
13 offices are in Atlantic City?

14 A. No, I'm not sure.

15 Q. You've never done any work out of an
16 office in Atlantic City?

17 A. Never. I believe the business office
18 goes under the name of Cellular One in Atlantic
19 City, it's not a Comcast office.

20 Q. Do you know if it is anything more than
21 a sales office?

22 A. No, I don't know.

23 MR. WEBER: I'd like to have this
24 exhibit marked as Dombroski Exhibit 1. It is a
25 one-page letter dated February 10, 1995, with the

1 Bates stamp AM 146942.

2 (Dombroski Exhibit No. 1 was
3 marked for identification.)

4 BY MR. WEBER:

5 Q. Have you ever seen this letter before?

6 A. Yes.

7 Q. Did you receive it from Mr. Lokting?

8 A. Yes.

9 Q. Did you take any action after receiving
10 it?

11 A. Yes. I instructed our third-party site
12 acquisition company to ensure that their word
13 processing system was updated to reflect the
14 correct name of Ellis Thompson Corporation on any
15 documents that would be issued in the future.

16 Q. Did anyone at Comcast discuss this
17 letter with you?

18 A. Not that I recall.

19 Q. Was it the outside contractor that
20 prepared the lease that had the name Ellis
21 Thompson Corporation, an Oregon corporation,
22 d/b/a Comcast Metrophone?

23 A. Yes.

24 Q. Have you ever explained to any of the
25 employees under you about the ownership of the

1 Atlantic City system?

2 A. Yes, I have.

3 Q. What have you told them?

4 A. I have explained to them that
5 Mr. Thompson is the owner of the market and that
6 Comcast is the managing entity and that no
7 capital expenditure or major change in operating
8 procedures can be taken without his approval.

9 Q. Did you give them instructions on how
10 to proceed to obtain Mr. Thompson's approval?

11 A. Yes, I've instructed them to talk with
12 me about any proposed changes and that I would
13 communicate that to Mr. Thompson and seek his
14 approval.

15 Q. And have they done so?

16 A. Yes.

17 Q. A moment ago we were discussing the
18 facilities that are in the Atlantic City system.
19 To your knowledge are there any full-time
20 employees at any of the sites?

21 A. There are no full-time employees at any
22 of the cell sites. As far as the business office
23 we talked about earlier, I have no direct
24 knowledge of that.

25 Q. And any buildings or rooms at the sites

1 are essentially nothing more than shelters for
2 equipment?

3 A. Yes, they're just radio equipment and
4 interconnect equipment at those sites.

5 Q. But no offices at any of the sites?

6 A. No.

7 Q. Have you played any role in negotiating
8 any of the contracts on behalf of Comcast for the
9 Atlantic City system?

10 A. No.

11 Q. Do you play any role in the negotiation
12 of leases?

13 A. Yes.

14 Q. Can you describe that role.

15 A. I set general guidelines on lease
16 payment amounts based on individual markets and
17 review and approve any lease document before it
18 is forwarded to Mr. Thompson for signature.

19 Q. Does Comcast use a standard lease form?

20 A. We've got several versions of a
21 standard lease form.

22 Q. During your time in this position, has
23 Mr. Thompson ever requested any changes in a
24 lease other than the one we just mentioned?

25 A. Yeah, other than the change in the name

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1 and the lower rate, no, not that I can recall.

2 Q. Do you do the work in finding the cell
3 sites?

4 A. I direct the third-party contractor to
5 do that.

6 Q. Do you do the initial engineering and
7 give the third party the general area where you
8 want a site to be found?

9 A. Yes, my engineering group has that
10 responsibility.

11 Q. At what point in the negotiation for a
12 site lease would Mr. Thompson and Mr. Lokting
13 become involved?

14 A. At the point that an executable lease
15 agreement is available for that.

16 Q. Do you know if Mr. Thompson has ever
17 refused to sign a lease?

18 A. No, I'm not aware of him refusing to
19 sign a lease.

20 MR. GURMAN: Other than the example
21 that we gave, right, that you previously gave,
22 about the change.

23 MR. WEBER: I'm not sure if that was a
24 refusal to sign.

25 MR. GURMAN: Okay.

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1 BY MR. WEBER:

2 Q. You mentioned before, where Mr. Lokting
3 instructed you to try to get a lower rate, had
4 the lease been signed or was he just wanting the
5 lease to be renegotiated?

6 A. In this particular case, the leases had
7 been fully executed. There was a provision that
8 lease payments would not begin until the
9 commencement of construction. And, since
10 Mr. Thompson had decided not to appropriate
11 capital expenditures for this time period, we
12 were not undertaking any construction
13 activities. And as a result the owners of the
14 site were becoming a bit concerned about the lack
15 of revenue. So that's what prompted the
16 conversation with Mr. Lokting.

17 MR. WEBER: I'd like to have this
18 marked as Dombroski Exhibit 2. It is a one-page
19 letter dated February 6, 1995, with the Bates
20 stamp 146946.

21 (Dombroski Exhibit No. 2 was
22 marked for identification.)

23 BY MR. WEBER:

24 Q. Do you recognize this letter?

25 A. Yes.

1 Q. Did you send it to Mr. Thompson?

2 A. Yes, I did.

3 Q. In the first sentence, you are
4 referring to a December 5 meeting. Do you recall
5 that meeting?

6 A. Yes.

7 Q. Was that one of the quarterly
8 meetings?

9 A. Yes.

10 Q. Can you recall what Mr. Thompson
11 specifically requested be done?

12 A. Yes. We had made a proposal for system
13 capacity expansions in 1995. And my recollection
14 is that he had declined to approve those capital
15 expenditures but had approved our continuation of
16 site acquisition and zoning activities relating
17 to the proposed sites and had agreed that we
18 would send lease agreements for his execution
19 when we were at that point, but in no case had he
20 authorized us to start construction.

21 Q. Now, you mentioned that he declined
22 certain expenditures?

23 A. Yes.

24 Q. Can you detail that a little bit more?

25 A. We had proposed a number of cell sites

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1 to improve the system's capacity and portable
2 coverage. And he had declined to approve those
3 expenditures.

4 Q. Did he give a reason?

5 A. He was concerned about capital
6 expenditures. I don't recall him giving more of
7 a reason than that. He did approve other actions
8 that we had already undertaken to improve system
9 capacity.

10 Q. Is one of your duties to evaluate the
11 Atlantic City system to determine whether service
12 could be improved?

13 A. Yes.

14 Q. And how do you go about doing this?

15 A. Using theoretical propagation and
16 coverage prediction tools and interference
17 prediction tools and also drive testing as it's
18 frequently called in our industry and walk
19 testing.

20 Q. Since you've been in your current
21 position, has the Atlantic City system been
22 modified in any manner?

23 A. Yes.

24 Q. How so?

25 A. We have changed some antennas at cell

1 sites and undertaken a process called
2 sectorization at a number of sites, where we've
3 changed from an omnidirectional coverage pattern
4 to a more directional pattern to improve
5 performance and capacity of the system.

6 Q. Did these actions require
7 Mr. Thompson's approval?

8 A. Yes.

9 Q. Have you personally made system design
10 recommendations that have been refused by
11 Mr. Thompson?

12 A. Yes.

13 Q. Would you describe this.

14 A. Primarily related to the addition of
15 cell sites in the system to improve capacity and
16 coverage.

17 Q. How was the refusal made, by letter, by
18 a phone call, in person?

19 A. My recollection is it was done in the
20 quarterly review meeting in early December by
21 Mr. Thompson.

22 Q. What did you do afterwards?

23 A. I don't recall, we just put the plans
24 on the shelf.

25 Q. Did you take any action to try to

1 convince him otherwise?

2 A. Yes. During the meeting I explained
3 the need for coverage improvements due to changes
4 in the sales that are typically occurring in
5 cellular systems and I recall the letter that
6 Mr. Thompson sent -- or the fax that he sent me
7 on what he believed would be a potential solution
8 to coverage and capacity problems in the system
9 and a conversation with him on that.

10 Q. And what was the fax he sent you, is
11 that what you mentioned before?

12 A. Yes.

13 Q. What did he say after you were trying
14 to convince him about the need for additional
15 sites?

16 A. I don't recall.

17 Q. Did Mr. Lokting play any role in these
18 discussions as well?

19 A. He was present during the quarterly
20 review meetings, he was not involved at all
21 during my conversations with Mr. Thompson on the
22 amplifiers and the article that he had sent me.

23 Q. What percentage of the CGSA is
24 presently covered?

25 A. I don't know that.

1 Q. Do you know how much additional area
2 would have been covered by your proposal?

3 A. The proposal was not to fill out the
4 CGSA. I believe that we -- the system meets all
5 the FCC requirements. It was related more to
6 improving coverage for portable telephones in the
7 system.

8 Q. Have any new cells been added since you
9 started in your position?

10 A. Yes.

11 Q. How many?

12 A. Three.

13 Q. Do you know how many cells the original
14 application proposed?

15 A. No, I don't.

16 Q. Did you take any action to obtain
17 Mr. Thompson's approval for the addition of those
18 three cells?

19 A. They had been previously approved as
20 part of a 1994 capital budget. My action was to
21 just follow through on that, but I do recall
22 discussing those three sites with Mr. Thompson
23 during the quarterly review meetings to ensure
24 that we had his approval before proceeding.

25 Q. So the addition of these three cells

1 was within budget?

2 A. Yes.

3 Q. Even for matters that are within
4 budget, you still go to Mr. Thompson for
5 approval?

6 A. Yes.

7 Q. Why do you do this?

8 A. Just to ensure that we have his
9 complete approval on any actions that we take.
10 In the case of the three sites, they were delayed
11 from their original schedule in one case by at
12 least a year; and I thought it was prudent to get
13 his approval again.

14 Q. What was the reason for the delays?

15 A. Primarily zoning delays, just the sites
16 had been in zoning activities for an extended
17 period of time.

18 Q. Have you ever felt any frustration at
19 having proposals rejected?

20 A. Yes.

21 Q. Can you describe this.

22 A. My objective is to provide high quality
23 cellular telephone service. And, while we have
24 been able to do a number of creative
25 work-arounds, I sometimes am frustrated at not

1 getting the approvals on capital recommendations.

2 MR. WEBER: I would like to have this
3 marked as Dombroski Exhibit 3. It is a one-page
4 letter dated July 28, 1994, with the Bates stamp
5 AM 143941.

6 (Dombroski Exhibit No. 3 was
7 marked for identification.)

8 BY MR. WEBER:

9 Q. Have you ever seen this letter before?

10 A. Yes.

11 Q. Did you send it to Mr. Lokting?

12 A. Yes.

13 Q. Did Mr. Thompson approve of the site in
14 Tuckahoe prior to being sent this lease?

15 A. This is one of the sites that had been
16 previously incorporated in the 1994 capital
17 budget.

18 Q. So he had approved of this additional
19 site prior to being sent the lease?

20 A. To the best of my knowledge, yes.

21 Q. Are you involved in the calculation of
22 the budget that will be necessary for the
23 Atlantic City system to meet its engineering
24 needs for the given year?

25 A. Yes.

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1 Q. How do you go about doing this?

2 A. By developing a traffic forecast based
3 on primary input, a subscriber forecast, and the
4 output of that is a traffic forecast. The
5 engineering group then develops capacity
6 recommendations in terms of site additions,
7 channel additions; and, with the increased use of
8 portable telephones, often capital budgeting
9 requires improvements in coverage in a cellular
10 system.

11 Q. So then, after you see if there needs
12 to be any additional sites, channels, or
13 improvements in coverage, you essentially just
14 add up the cost of all that and present that as
15 your budget?

16 A. It's added up typically on a monthly
17 basis based on the need to add capacity, and the
18 budget is developed from that.

19 Q. Do you present budgets each month or
20 annual budgets?

21 A. Annual budgets.

22 Q. Has Mr. Thompson ever required that the
23 engineering portion of the budget be lowered?

24 A. Yes.

25 Q. How often has this happened?

1 A. Only once in my recollection.

2 Q. By how much did Mr. Thompson want the
3 budget lowered, the engineering portion of the
4 budget lowered?

5 A. In the case of the capital budget, it
6 was the five additional cell sites that we had
7 recommended for 1995. He authorized acquisition
8 related activities only and not purchase of
9 equipment or start of construction on those
10 sites.

11 Q. Do you know by what amount this lowered
12 the budget?

13 A. Approximately \$3 million.

14 Q. And 3 million out of a budget
15 requesting how much?

16 A. My recollection is that the total
17 budget was somewhere between 7 and 8 million.

18 Q. When Mr. Thompson approves of a budget,
19 is he approving just the dollar amount or is he
20 approving each of the components that make up
21 that total dollar amount?

22 A. Each of the components.

23 Q. So, if there is an expense that remains
24 within budget but was not one of those original
25 components, are you allowed to do it?

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1 A. No. If it varies from the items that
2 he had approved, I would go back and request his
3 approval.

4 Q. Do you have any authority to purchase
5 equipment and supplies for the Atlantic City
6 market as long as it is within budget?

7 A. As long as it's been approved, yes, I
8 can issue those orders.

9 Q. Is there any review process that the
10 purchase of equipment within budget that's been
11 preapproved must go through?

12 A. There is a review process in Comcast
13 Cellular finance group, a number of signatures
14 are required on any purchase of capital
15 equipment.

16 Q. Are you one of the people who can sign
17 for capital equipment?

18 A. Yes.

19 Q. Would any signatures be required in
20 addition to yours?

21 A. Yes.

22 Q. Whose?

23 A. Anna Hillman.

24 Q. Has a budget ever been exceeded?

25 A. Not to my knowledge.

1 Q. Do you know if there's any mechanism in
2 place for what occurs if a budget is exceeded?

3 A. Yes, there is a monthly tally of
4 expenditures and that would be a mechanism
5 whereby any excess would be found.

6 Q. What would be the consequence if a
7 budget is exceeded, if a proposal was thought to
8 maybe only cost 1 million but it ends up it was
9 1.1 million because it was more expensive than
10 what the proposal calculated it would be?

11 A. Well, in my experience we have not
12 actually gone over budget in any year. Potential
13 over budget conditions are normally detected in
14 advance of committing to the purchase. And we've
15 got a process internally where those excesses can
16 be approved, if necessary.

17 Q. And what is that process?

18 A. It is a -- it's called an EPA process.
19 I have no idea what that stands for. But it is a
20 mechanism whereby we can compare the previously
21 approved budget with any variance, justify its
22 reason, and then gain approval.

23 Q. And by gain approval you mean gain
24 approval from whom?

25 A. In my experience from Anna Hillman. I

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1 don't recall ever having a situation like this on
2 Atlantic City.

3 Q. Has anybody ever discussed with you
4 what you should do if the engineering group is
5 going to exceed budget?

6 A. Not that I can recall.

7 MR. WEBER: I would like to have this
8 marked as Dombroski Exhibit 4. It is a one-page
9 letter dated September 13, 1994, with a Bates
10 stamp AM 143939.

11 (Dombroski Exhibit No. 4 was
12 marked for identification.)

13 BY MR. WEBER:

14 Q. Have you ever seen this letter before?

15 A. Yes.

16 Q. Did you send it to Mr. Thompson?

17 A. Yes.

18 Q. Although this letter doesn't have the
19 enclosures that are referenced, do you recall
20 what the proposed changes were?

21 A. Yes.

22 Q. Were those proposed changes approved by
23 Mr. Thompson?

24 A. No, they were not.

25 Q. Were the changes within budget?